

GP Payroll

Year-end Guide

April 2020

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Dear Customer

Welcome to your guide to completing payroll year-end 2019/2020.

The guide contains:

- Year-end help – step by step instructions for completing and submitting your final **Full Payment Submission/Employer Payment Summary** for the tax year and moving your practice into the new tax year
- **Practice checklist** – you can print the checklist and use it along with the **Year-end Guide**, ticking each step as you complete it

Checklist for Year End

- Step 1** Ensure you have installed IRIS GP Payroll version 2020.1.8
- Step 2** Calculate the final pay period of the 2019/2020 tax year
- Step 3** Issue any outstanding P45s
- Step 4** Create a backup
- Step 5** Submit your **Full Payment Submission**; if you do not need to submit an **Employer Payment Summary** for March, tick **Final submission for this tax year**
- Step 6** Submit your **Final Employer Payment Summary for tax year**, if required, to HMRC
- Step 7** Print P60s from the **End-of-Year Facilities** screen and issue to current employees by 31 May 2020
- Step 8** Print deduction working sheets – P11 from the **End-of-Year Facilities** screen
- Step 9** Produce end-of-year pension statements from the **End-of-Year Facilities** screen
- Step 10** Transfer employees into the next tax year on the **End-of-Year Facilities** screen
- Step 11** Indicate if the Practice is eligible for **Small Employer's Relief**

Year-end Procedures

Step 1. Updating GP Payroll

Automatic Update

Update IRIS GP Payroll as soon as possible with the latest Automatic Update (Legislation Critical Update). It will not affect your normal payroll calculations and contains changes you need to complete your end-of-year filing and to move forward into the new tax year.

Please note: Release 2020.1.8 of IRIS GP Payroll includes everything you need for finalising your 2019/2020 year-end, PLUS all the changes required for running payrolls in the 2020/2021 tax year.

Check for Updates - Automatic

When you log into the software, providing it can establish a link to the **IRIS Online for Practice Managers** website, the system will check for any IRIS GP Payroll software updates. A Legislation Critical Year-End update will be available, and you will be given the option to download it. Click **Yes** to download the update now.

This update **MUST** be installed before performing any Year-End procedures.

By clicking on the **“What’s in this update?”** link you can view the **Release Notes** associated with this update.

Check for Updates – Manual

There is also a manual process which allows you to check for and download updates at your convenience. This could be useful if you have selected **No** for a non-critical download and you decide that you do want to download it after all. To check for updates, click **Support** from the main screen. If there is a newer version available, click **Update Now**.

Downloading Updates

If you select **Update Now** to start downloading a new version you can continue to use IRIS GP Payroll while the files are being downloaded, however for the purpose of the Legislation Critical Year-End update this is **NOT** recommended.

A progress bar will appear on the screen. If the download stops before completion, for example if your internet connection fails, the next time you log into IRIS GP Payroll it will resume downloading from the point it had reached. If the download is unable to complete contact your IRIS Support team to request a DVD copy of the update.

Pause

You can pause the download by right clicking on the download icon on the task bar and selecting **Pause**. The next time you log into IRIS GP Payroll you will receive a prompt to continue with the download.

Stop

The download can be stopped by right clicking on the download icon on the task bar and selecting **Stop**. This will delete any files already downloaded. The next time you log into IRIS GP Payroll you will be prompted to download the update again.

Once the download is complete you will see a message telling you that you can install the update the next time you run IRIS GP Payroll. You need to ensure the Year-End Update is complete prior to starting your Year-End procedures

Install Updates

When you log into IRIS GP Payroll again after downloading the update, you will be prompted to install the downloaded version.

If you choose to install the update the following message will appear: **Updating software, please wait...** You will then see a message confirming that the update is complete and displaying the version number, 2020.1.8. Once you click **OK**, the **Log In** screen will appear.

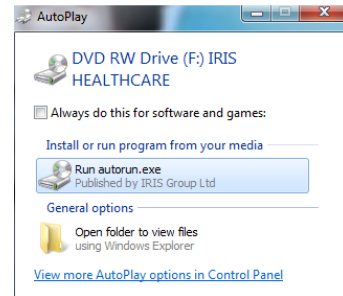
Loading the upgrade DVD

If you requested a DVD, load it as soon as possible. It will not affect your normal payroll calculations. It contains the changes you need to complete your end-of-year filing and to move forward into the new tax year. This update **MUST** be installed before performing any Year-End procedures.

Please note: IRIS GP Payroll v2020.1.8 includes everything you need for finalising the 2019/2020 year end, PLUS all the changes required for running payrolls in the 2020/2021 tax year

What you should do now:

1. Check that you have an up-to-date backup before loading the DVD
2. Place the DVD in the DVD drive
3. Select Run autorun.exe from the screen that is automatically displayed
4. From the Welcome to IRIS Healthcare Solutions screen select Install IRIS GP Payroll
5. From the next screen, choose Upgrade existing install
6. Follow the on-screen instructions until the upgrade is complete – IRIS GP Payroll closes when it has finished
7. Start IRIS GP Payroll again and check that the version number on the top line of the screen is now Version 2020.1.8



Step 2. Do payroll runs

Calculate your final pay period of the 2019/2020 tax year

Step 3. P45s

Issue any P45s for employees you do not intend to pay in the 2020/2021 tax year. You will not be able to do this after you **Transfer employee details into the next tax year**

Step 4. Back up your 2019/2020 data

Follow your usual back-up routine

Please note: If you intend to send an **Employer Payment Summary** this month to HMRC to indicate any adjustments, due to statutory payments reclaimed/recovered, **No employees paid in Current Month, No employees will be paid in future months** or paid App Levy, send your normal FPS then skip to **Step 6**. If you do not need to send an EPS, please follow **Step 5** to submit your final FPS then skip to **Step 7**

Step 5. Send Final FPS for this tax year

From the **RTI Submissions** button, select **Full Payment Submission (FPS)**, then click **Next** and tick **Final submission for this tax year**.

5.1 Check the figures on the **Full Payment Submission – Final Confirmation** screen. Click **Print Summary** and/or **Print Details** to print a copy for your records, if you wish

5.2 Click **Send** to submit the Full Payment Submission. Go to **Step 7**

Step 6. Send Full Payment Submission, then Final Employer Payment Summary for tax year

Follow this step if you need to send a **Final Employer Payment Summary for tax year** to HMRC to indicate adjustments due to SMP, SAP, SPP, or ShPP reclaimed/recovered in the final pay period, **No employees paid (no Tax & NIC liability)** this month or **App Levy** due this tax year:

6.1 Send your FPS following your normal procedures, ensure you have sent an FPS for Month 12 making sure **Final submission for this tax year** is not ticked

6.2 Send your Final EPS. Click **RTI Submissions** and choose **Employer Payment Summary (EPS)** then click **Next**

6.3 Select **Final Employer Payment Summary for tax year** then **Next**

6.4 Check the figures on the **Employer Payment Summary** values screen and amend the values if necessary

6.5 Check the values on the **Employer Payment Summary – Confirm** year to-date values screen and click **Print** if you require an EPS Confirmation report. Click **Send** to submit to HMRC

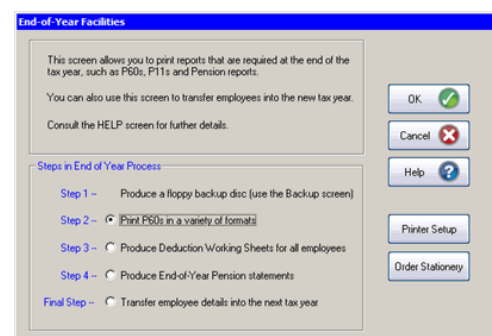
Step 7. Print P60 year-end forms

Click on the **End of Year** button on the main option screen. This presents the menu of tasks to be carried out at the end of the year.

Select **Step 2 - Print P60s in a variety of formats**.

P60s are given to all current employees. Give only one P60 to an employee, even if that employee has had more than one period of employment with you in the tax year. The P60 should be the one which covers the end of the tax year.

P60 forms guaranteed to fit your IRIS GP Payroll software are available from IRIS. Please call 0344 815 5660 for more information.



If you are publishing P60s using IRIS AE Suite™, select **Print employee P60s onto blank A4 paper** then **OK** then **Publish**.

Step 8. Print P11s

Print P11s (Deduction Working Sheets) from the **End-of-Year Facilities** screen for your records

Step 9. NHS pension agency returns - Produce End-of-Year Pension statements

Pension annual returns are produced using the fourth option (**Produce End-of-Year Pension statements**) of the **End-of-Year Facilities**. The same summaries can be printed from the **Print Output/Export Data** screen by selecting **Pension Summaries** and choosing the third option **Summary of employee payments**.

Please note: We advise you to print paper copies of the employees' annual pension statements and retain them for 3 years (as with P11s). These printed summaries can be useful if an employee leaves the practice and the Pension Agency then requests information about previous years' contributions. This happens frequently and although it is possible to load previous years' payroll data to extract this information, it is easier to keep copies of the annual pension statements.

The **England/Wales NHS Pension Agency** no longer issue paper SD55s for completion; employee SD55 details must be entered via the internet. Go to the **Pension Online (POL)** section on the NHS Pensions website.

IRIS GP Payroll allows you to print an SD55 form for each employee. The printed version has been designed to resemble the agency's web-based form. You can use the information on the printed SD55 to complete the online SD55.

The Northern Ireland NHS Pension Agency

IRIS GP Payroll prints an annual pension schedule for all employees in the scheme. The figures must be transferred manually to the official forms supplied by the Northern Ireland Pension Agency.

The Scottish NHS Pension Agency (SPPA)

Scottish practices must send their employee's annual pension returns to the Scottish Public Pensions Agency (SPPA) in an electronic form. IRIS GP Payroll allows you to create a file containing all NSR03 details, which you are then able to upload to SPPA's online portal.

When a Scottish practice selects the fourth option on the end-of-year menu (**Produce End of Year Pension statements**) a new screen will appear:

The screenshot shows a window titled "Scottish Pension Agency options". At the top, it says "The screen allows you to create different CSV files that you can then upload to SPPA's online portal. You can also print copies of the forms for your records or print a Summary of Contributions Received for the tax year." Below this is a section "Select an option" with a radio button selected for "Summary of Contributions Received 2019-2020". Underneath, it says "Select the type of form that you want to create or print" and has a dropdown menu showing "NSR03 - Annual return form". There are two radio buttons: "Prepare a file in CSV format for submission to SPPA" and "Print a copy of the form for your records". Below that is a section "Number of Employees" with radio buttons for "All employees" and "Choose Employees", and a text box for selecting employees. On the right side, there are buttons for "OK", "Cancel", "Help", and "Printer Setup". At the bottom right, there is a checkbox for "Print using colour".

The first option on this screen allows you to print the **Summary of Contributions Received** report, which lists all employee and employer contributions over the last 12 months. This is printed onto a single A4 sheet and is not transmitted electronically to SPPA.

The second option on this screen is where you can select the type of report or file that you wish to create. As you are completing end of year returns you should select **NSR03 – Annual return form**. Once selected you can then opt to either **Prepare a file in CSV format for submission to SPPA** or **Print a copy of the form for your records**. The next steps will explain how to create the CSV file to submit electronically, but we strongly recommend that you also print paper copies and retain them for 3 years. Printed copies of the forms should not be posted to SPPA as the agency only accept the annual return form in electronic format.

On this screen, you can opt to create the file or report for individual employees or for all employees. When creating the NSR03 – Annual return form you should select **All employees**.

Electronic Annual Pension Returns (Scottish Pension Agency)

Selecting **Prepare a file in CSV format for submission to SPPA** in the above screen will start a wizard, which allows you to create the electronic NSR03 file for submission to SPPA. This file contains all of the NSR03 information required by SPPA and can be uploaded directly to their online portal.

The first screen describes the steps in this process:

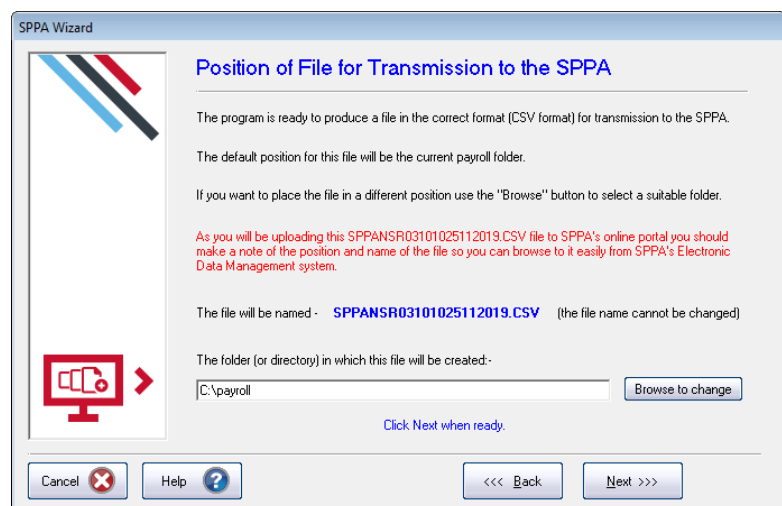


The file will only gather data for employees who continue in the NHS scheme at the end of the year. Those who have left the practice or left the pension scheme before the end of the year should already have had a **leaver form** (NSR02) sent.

IRIS GP Payroll checks that employee Superannuation Numbers and Employment Numbers (also known as Contract Numbers) are present and are in the correct format. If any of these numbers are incorrect you will need to return to the employee's pension screen and correct the error. If any numbers are incorrect or missing, please contact the SPPA helpline on **01896 893 000** and ask for the NHS Service Team.

The next screen defines where the electronic file will be stored.

The default position for the electronic file will be the folder (directory) of IRIS GP Payroll. If you would prefer a different location use the **Browse to Change** button.



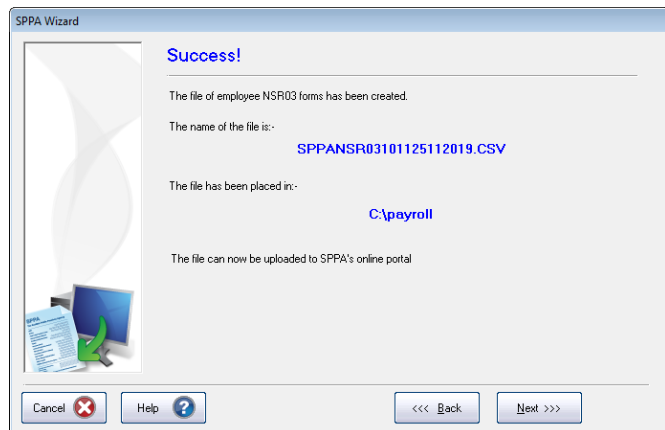
As you will be uploading this file to SPPA's online portal you should make a note of the file name and location so that you can browse to it easily from SPPA's Electronic Data Management system.

When you click on **Next** the file will be placed in the folder that you have selected.

Uploading the NSR03 electronic file to SPPA

Once your NSR03.CSV has been created and you have made a note of the file name and where it is located you can log in to SPPA's Electronic Data Management system to upload it. Click [here](#) to be taken to the log in screen.

Once you are logged in select the **Annual Return | Bulk Upload** option. In the next screen, you can click **Browse** to select the file you have created, and then click **Upload**.



Step 10. Transferring employees into the new tax year

The final step at the end of the year is to transfer the employee files into the new tax year. This is the last option on the end-of-year menu. It is important that all tasks relating to the 2019/2020 tax year have been completed before this option is selected.

In particular:

- You must produce a P11 (Deduction Working Sheet) for every employee and retain them for 3 years. This can be done from the end-of-year menu
- You must take a backup to store the full year's payroll data
- You should print a copy of the employee annual pension summaries and retain them for 3 years

When you select the last option of the end-of-year menu (**Transfer employee details into the next tax year**) IRIS GP Payroll will create a copy of the current software and data on a separate area of your computer's hard disk. You will be able to access this copy from the new 2020/2021 payroll system. This will allow you to examine the 2019/2020 data without having to restore the software and data. Although you create a copy on the hard disk, you must also take a separate backup of payroll data – this will be your fall-back system if your hard disk is damaged.

If you have **Setup/ Options | 12 – Tax/NI Parameters | Employment Allowance** set to **Yes**, the following message will appear:

This screen will only appear if you are currently claiming Employment Allowance

Click **Next**

From the **Employment Allowance** screen select from the options:

- **Claim Employment Allowance**

Continue to claim Employment Allowance. My Employer's NI bill for 2019/2020 was below £100,000

- **Do not claim Employment Allowance**

Stop claiming Employment Allowance

End-of-Year Transfer

Employment Allowance

Employment Allowance

Employment Allowance (EA) rules are changing. From April 2020, employers with a Class 1 secondary National Insurance liability of £100,000 or more in the preceding tax year are no longer eligible for Employment Allowance.

The EA was introduced to support businesses to grow and hire new staff. At present, big businesses get the same benefit as small businesses. However, for larger businesses the benefits of this £4,000 are small relative to their total employment costs and unlikely to encourage them to take on more staff.

To focus business support to those who need it the most, the relief will be restricted to help smaller businesses with the costs of taking on more staff.

What's Changing?

The project seeks to remove EA from employers whose (secondary) Class 1 NICs liability was £100k or more in the tax year prior to the EA claim. As a result of the changes, approx. 100k larger employers who currently claim EA will no longer be eligible to claim in future.

Targeting EA in this way means it is now considered to be a type of de minimis State aid. This is because it is essentially placing some businesses in an advantageous position over other businesses on a selective basis which could potentially distort competition and trade within the European Union (EU).

As a result of these reforms the EA will be given from the 2020/21 tax year as de minimis State aid and HMRC will be responsible for ensuring customer compliance with those rules. Therefore, the EA application process needs to change to take account of the rules on de minimis state Aid.

Next Cancel

End-of-Year Transfer

Employment Allowance

Employment Allowance

You are currently claiming EA and must indicate what you would like to do for tax year 2020/2021

Claim Employment Allowance

Continue to claim Employment Allowance. My Employer's NI bill for 2019/2020 was below £100,000

De minimis State aid

de minimis State aid does not apply

Agriculture

Fisheries and Aquaculture

Road Transport

Industrial

If de minimis State aid rules apply to your business, you must make sure that receipt of the full £4000 allowance in the claim year, when added to any other de minimis State aid already received or allocated in the claim tax year and the previous 2 tax years, would not result in you exceeding the de minimis State aid threshold for your trade sector(s). You do not need to enter a Value of de minimis State aid in the system as you are not required to report the value to HMRC in RTI submissions.

If you do not know what your Employer's NI bill is for 2019/2020 you can pick either option now and amend it later in Setup/Options, if necessary.

Do not claim Employment Allowance

Stop claiming Employment Allowance

Back Next Cancel

If applicable, select the relevant **de minimis State aid** option from:

- De minimis State aid does not apply
- Agriculture
- Fisheries and Aquaculture
- Road Transport
- Industrial

Click **Next**

The transfer to the new tax year will then take place. Employees with a leaving date will be removed. Employee files will be transferred to the new tax year with the same basic data. Tax codes with a month 1 status will be changed to the normal cumulative code.

The **Transfer employee details into the next tax year** option will also apply all the changes necessary for the coming 2020/2021 tax year. Any amended rates and limits for NI, tax and statutory payments will also be applied automatically, as well as other legislation changes and several enhancements to the software. For a comprehensive description of all changes in IRIS GP Payroll version 2020.1.8 please see the **Release Notes** document which can be printed from the main screen **Release Notes** button or downloaded [here](#).

Step 11. Small Employer Relief

To qualify for Small Employer's Relief, the total amount of NIC paid by the practice in the previous tax year (i.e. 2019/2020) must be less than the Small Employer's Relief threshold, which is currently £45,000. If your practice no longer qualifies, you must click on **Setup/ Options**, click on the **1 - Program Options** tab and select the option **The practice IS NOT eligible for Small Employer's Relief**.

Useful numbers

| HMRC online service helpdesk | HMRC employer helpline |
|---------------------------------|-----------------------------------|
| Tel: 0300 200 3600 | Tel: 0300 200 3200 |
| Fax: 0844 366 7828 | Tel: 0300 200 3211 (new business) |
| Email: helpdesk@ir-efile.gov.uk | |

Contact Sales (including stationery sales)

| For IRIS Payrolls | For Earnie Payrolls | For IRIS Payroll Professional |
|-------------------------|-------------------------------|--------------------------------|
| Tel: 0344 815 5656 | Tel: 0344 815 5676 | Tel: 0345 057 3708 |
| Email: sales@iris.co.uk | Email: earniesales@iris.co.uk | Email: payrollsales@iris.co.uk |

Contact Support

| Your Product | Phone | E-mail |
|---|---------------|----------------------------|
| IRIS PAYE-Master | 0344 815 5661 | payroll@iris.co.uk |
| IRIS Payroll Business | 0344 815 5661 | ipsupport@iris.co.uk |
| IRIS Bureau Payroll | 0344 815 5661 | ipsupport@iris.co.uk |
| IRIS GP Payroll | 0344 815 5681 | gpsupport@iris.co.uk |
| IRIS GP Accounts | 0344 815 5681 | gpaccsupport@iris.co.uk |
| Earnie or Earnie IQ | 0344 815 5671 | earniesupport@iris.co.uk |
| IRIS Payroll Professional (formerly Star) | 01273 715300 | payroll-support@iris.co.uk |

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